

## Minutes of the Budget and Corporate Scrutiny Management Board

21<sup>st</sup> February, 2018 at 3.30pm  
at Sandwell Council House, Oldbury

**Present:** Councillor P Hughes (Chair);  
Councillors Edis, E M Giles, Hickey and Underhill.

**In attendance:** D Carter (Executive Director – Resources);  
J Leivers (Interim Executive Director of Children’s  
Services);  
D Stevens (Executive Director – Adult Social Care,  
Health and Wellbeing);  
A Caddick (Director – Housing and Communities);  
C Ward (Director – Education, Skills and Employment);  
C Sandland (Service Manager – Finance);  
C Davey (Business Partner – Adults)

### 5/18 **Minutes**

**Resolved** that the minutes of the meeting held on 17<sup>th</sup> January, 2018 be approved as a correct record.

### 6/18 **Business Plans 2018-19 to 2020-21**

Further to Minute No. 25/18 of the Cabinet (14<sup>th</sup> February, 2018), the Board received the Council’s proposed Business Plans 2018-19 to 2020-21 for review.

The Board asked a wide range of questions of Directors on both the key areas of activity for the directorates and on the target budgets for the periods covered by the Business Plans. The Scrutiny Management Board considered, in accordance with the referral from Cabinet, how the Plans would support the ambitions contained within Vision 2030 and how they represented value for money.

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The Directorate Business Plans had been redesigned with a new format that was intended to make them easier to read and understand, without losing sight of the key purpose of providing details about future service provision and how each directorate intended to spend the target budget available to them. The Board welcomed this revised approach and format.

From the comments and questions by members of the Board, the following responses were made and issues highlighted:-

- The Directorate Business Plans had been clearly aligned to the ambitions for the borough contained within Vision 2030.
- Performance indicators had not yet been developed to measure progress against the Plans. It was important to ensure that any indicators were not overly bureaucratic but were meaningful and effective. The Board suggested that people with appropriate expertise could be drawn from across officers, councillors and independent sources.
- The Board highlighted the importance of communicating the Plans widely and in ensuring ownership of the key areas of activity and how they related to Vision 2030 amongst all levels of officer.
- Members felt that the introduction text relating to Law and Governance should be revised to reflect the wide range of services it covers to make it clearer for the public.
- The Board welcomed the proposed 'think tanks' to encourage collaborative working across the ambitions within Vision 2030 and asked that scrutiny be kept informed of this area of work.
- The Council would look at ways to maximise the opportunity of its apprenticeship, intern and graduate programmes for residents and students of Sandwell. This would be through encouraging applicants from Sandwell's young people as it was not lawful to restrict job advertisements to certain areas.
- Members acknowledged the significant role played by the Council's innovative Human Resources practices in helping maintain services in a time of austerity.
- The Board highlighted the importance of ensuring the planned review of governance focus on the highest levels of ethical standards.

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- The Social Value Policy and Framework would be considered by the Audit and Risk Assurance Committee at its next meeting and would be reported to the Scrutiny Management Board in due course.
- Financial sections in future business plans would contain percentage decreases or increases.
- The introduction of Universal Credit had played a significant role in driving cost savings in Revenues and Benefits as considerable grant funding relating to housing benefit administration would be lost following the roll-out of Universal Credit in Sandwell. These savings had been made through not filling vacancies on a permanent basis, with temporary posts used to cover work in the interim.
- The Council was in discussions with Birmingham City Council around the Commonwealth Games, the associated Cultural Programme and the Business Expo and how the benefits from these would be rolled out across the region. The Council would be seeking to maximise the positive impact on Sandwell and would be using the Games to attract tourism and business to the borough, as well as encouraging residents to get more physically active.
- A business plan for Sandwell Valley was to be developed.
- The Council, and its partners such as Sandwell Leisure Trust, needed to promote and encourage physical activity. One aspect of this was through the Council's six Community Activity Network Development Officers, which were allocated to each town.
- 452 houses were planned to be delivered through the Council House Build Programme in 2019/20. It was intended to continue with a rolling build programme after 2020 and sites were being considered for developing the next programme.
- The Development Ready Team provided a bespoke service supporting the private sector through the planning process to encourage housing growth within that sector. This would include promoting private sector land for residential development and working to put landowners in touch with house-builders.
- The Development Ready Team also offered support which gave planning certainty to assist with site marketing and advice was available on grant funding that could make otherwise non-viable sites suitable for development.

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- The Council was developing options for the future of both leisure facility sites that were due to close following the development of the Aquatics centre for the Commonwealth Games in Smethwick. The options developed would be the subject of public consultation.
- Sandwell had an existing strong industrial community within High Value Manufacturing, the automotive supply chain and the logistics sector. To encourage sector specific development the Council would need to create a portfolio of development sites to accommodate new and emerging industries. This would require support with funding from sources such as the West Midlands Combined Authority of the Local Enterprise Partnership.
- The Cultural Strategy that would be developed would reflect the diversity of the offer in Sandwell, which would require the Council to look at the unique nature of each of the towns in their own right and how they contributed to the aims of the overall strategy.
- A Canal Network Working Group was being established in order to realise the role canals could play in delivering the ambitions for the borough. The Working Group would include representation from the Canals and River Trust. It may be appropriate to have both a technical group and a steering group to capture wider interest in this important topic.
- The canal network would also form part of the Green Space Strategy that would be reviewed.
- Budget constraints were impacting upon all partners involved with crime and community safety and how the partnership delivered services would be reflected in a revised Safer Sandwell Partnership Plan. The roll out of an active 'town tasking' model would enable resources to be focussed and their deployment based on evidence and intelligence, ensuring best use was made of the reduced resources.
- The wording within the Neighbourhoods Directorate Business Plan on the Anti-Social Behaviour priority needed to be strengthened.
- Across service areas there had been time-limited projects funded by surpluses brought forward from previous years in line with proposals agreed by Cabinet. As this funding was ceasing it was reflected by reductions in target budgets in future years.

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- In December, 2017 the Council was notified of the 2019/20 public health grant and that the ring-fence and grant conditions would remain in place until 31<sup>st</sup> March, 2020. The position after that time was not yet known.
- It was reported that Sandwell was fourth in the country for timely transfers from hospital. The Scrutiny Management Board congratulated officers for this achievement.
- The elements of Children's Services not transferring to the Children's Trust were the Youth Service and Children Centres commissioning. These would become the responsibility of the new Director of Children's Services when they took up the post.
- The Education, Employment and Skills directorate was restructuring teams to take into account a reduction in government grants. The directorate was also increasing traded services and the contributions of schools to the running of services through Schools Forum contributions.
- A review of statutory services was being undertaken by Cambridge Education to develop options for future services delivery in 2019/20.
- The contract with the Children's Trust would have specific governance arrangements which would include attendance at Scrutiny when reasonably requested. Each year the Trust would be required to undertake an Annual Review and self-assessment, it was intended for this to be reported to the Scrutiny Board with responsibility for children's services in future years.

The Board thanked the officers for attending the meeting and providing in-depth answers to the questions raised.

### **Resolved:-**

- (1) to recommend to the Cabinet:-
  - (a) that the Directorate Business Plans as now submitted to Cabinet be endorsed and commended for their strong alignment with Vision 2030 and the value for money the target budgets and focus areas represent;
  - (b) that the revised approach to and format of Business Plans be endorsed and commended for its reader-friendly design and content.

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- (c) that all Directors be requested to ensure that their Directorate Business Plans are published and communicated with all staff, partners, stakeholders and the public;
- (d) that all Directors be requested to ensure that, across all levels of their Directorates, there is an ownership of the key areas of activity contained within their Business Plans and understanding of how they align with Vision 2030;
- (e) that the Cabinet be requested to ensure that meaningful key performance indicators be developed to measure progress against activity, as outlined in the Business Plans;
- (f) that, subject to (e) above, the Cabinet be requested to seek input from elected members, officers and independent sources to support the development of performance indicators for the Business Plans;
- (g) that the wording used on the Law and Governance introduction be revised to reflect the strong stance that the Council was taking regarding ethical standards and adherence to the Nolan principles, in order to make it clearer for the public;
- (h) that the innovation around Human Resources processes that has helped Sandwell maintain its services in a time of austerity be welcomed;
- (i) that the wording used in the Anti-Social Behaviour area of activity of the Neighbourhoods Directorate Business Plan be strengthened in line with the wording in the Safer Sandwell Partnership Plan;
- (j) that all officers involved in the Business Planning and budget setting processes for the Council be congratulated for the excellent work they do to ensure the Council's was able to continue to deliver key services and drive improvement in Sandwell despite the challenges caused by austerity.

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- (2) that the following topics be included in the scrutiny work programme:-
  - (a) Digital Strategy;
  - (b) Engagement with schools on inspiring and motivating young people;
  - (c) Feedback on the staff engagement survey;
  - (d) The Council's approach to addressing empty properties across the borough;
  - (e) Cultural Strategy;
  - (f) The outcome of the Cambridge Education review.

4/18

### **Council Wide Budget Monitoring – Quarter 3**

The Cabinet, at its meeting on 14<sup>th</sup> February, 2018, had referred the Council-wide budget monitoring report for Quarter 3 for consideration by the Budget and Corporate Scrutiny Management Board.

Details of the Council's revenue and capital expenditure as at the end of December 2017 were received.

It was reported that, when taking into account the utilisation of centrally earmarked balances of £10.329m, the Council was showing an overall forecast deficit for the year against general balances of £1.601m.

At a service level, excluding Public Health, the Council was reporting a forecast year end surplus of £12.617m, which was within the following service areas:

Central Items – surplus of £4.317m;  
Corporate Management – surplus of £0.252m;  
Resources – surplus of £0.717m;  
Adults Social Care – surplus of £7.700m;  
Children's Services – deficit of £1.533m;  
Regeneration and Planning – surplus of £0.428m;  
Housing and Communities – surplus of £0.735m.

In addition, there was a projected year end surplus of £0.186m within Public Health that related to funds carried forward from previous years.

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The Board noted the reasons for the variances at the end of Quarter 3 for each service area. Members acknowledged the steps taken to address issues throughout the period for Quarter 3 as outlined in the report to Cabinet. The Scrutiny Management Board noted that it would consider and review the financial outturns for 2017/18 in due course.

**Resolved** that the Council-wide budget monitoring report for Quarter 3 be received.

(Meeting ended at 5.26pm)

Contact Officer: Alex Goddard Democratic Services Unit 0121 569 3178
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